



RESTRICTED

Also, insurance for foreign goods imported by China can be handled by China's insurance companies, adopting a cost and freight or FOB price policy. The foreign suppliers only need to pay freight charges on the cargo shipped.

Development of ocean shipping companies in China is under consideration. In the future, China is to handle her own shipping and insurance for imports and exports.

Cost and Insurance Prices for Exports and Cost and Freight Prices for Imports

China will adopt a cost and insurance price policy for her exports and a cost and freight price policy for her imports in the future. China's insurance charges are no higher than those of foreign insurance companies. Steps are being taken to develop a price policy which is mutually agreed upon by the buyer and the seller in foreign trade.

- E N D -

- 2 -

RESTRICTED

STAT



STAT